

**Employee Benefits / 5500**

	<b>2005 Actual <sup>1</sup></b>	<b>2006 Adopted</b>	<b>2006 Estimated <sup>2,3</sup></b>	<b>2007 Adopted<sup>4</sup></b>	<b>2008 Projected</b>	<b>2009 Projected</b>
<b>Beginning Fund Balance</b>	24,848,608	26,131,448	24,162,769	15,950,904	17,473,689	19,155,750
<b>Revenues</b>						
* Flexrate recovery	134,560,761	144,966,768	144,636,816	161,956,368	175,722,659	192,416,312
* Service charges <sup>5</sup>	17,233,433	17,790,617	17,747,302	21,314,321	23,119,015	25,165,109
* Interest revenue	831,090	550,000	840,000	750,000	789,750	831,607
* Misc. revenue		3,583,933	3,583,933			
<b>Total Revenues</b>	<b>152,625,284</b>	<b>166,891,318</b>	<b>166,808,051</b>	<b>184,020,689</b>	<b>199,631,424</b>	<b>218,413,028</b>
<b>Expenditures</b>						
* Ins. Premiums <sup>6</sup>	(147,604,175)	(160,954,673)	(163,471,466)	(172,026,379)	(187,996,437)	(206,343,719)
* Benefits Administration	(5,674,811)	(7,333,196)	(7,433,195)	(6,887,592)	(6,368,994)	(6,577,267)
* Enrollment Contingency <sup>7</sup>		(3,583,933)	(3,583,933)	(3,583,933)	(3,583,933)	(3,583,933)
* Data Base for the Puget Sound Health Alliance			(516,000)			
* Encumbrance Carryover			(15,322)			
<b>Total Expenditures</b>	<b>(153,278,986)</b>	<b>(171,871,802)</b>	<b>(175,019,916)</b>	<b>(182,497,904)</b>	<b>(197,949,364)</b>	<b>(216,504,919)</b>
<b>Estimated Underexpenditures</b>						
<b>Other Fund Transactions</b>						
* Month 14 Accounting Adjustments	(32,137)					
<b>Total Other Fund Transactions</b>	<b>(32,137)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Ending Fund Balance</b>	24,162,769	21,150,964	15,950,904	17,473,689	19,155,750	21,063,858
<b>Less: Reserves &amp; Designations</b>						
* Reserved for Encumbrance Carryover	(15,322)					
* IBNR <sup>8</sup>	(13,511,000)	(16,509,502)	(15,381,358)	(16,680,186)	(18,224,911)	(19,924,783)
* IBNR Shortfall						
* Rate Stabilization Reserve	(4,488,656)	(4,641,462)	(569,546)	(790,300)	(927,636)	(1,135,872)
<b>Total Reserves &amp; Designations</b>	<b>(18,014,978)</b>	<b>(21,150,964)</b>	<b>(15,950,904)</b>	<b>(17,470,486)</b>	<b>(19,152,547)</b>	<b>(21,060,655)</b>
<b>Ending Undesignated Fund Balance</b>	6,147,791	0	0	3,203	3203	3203
<b>Target Fund Balance <sup>9</sup></b>	<b>17,999,656</b>	<b>21,150,964</b>	<b>15,950,904</b>	<b>17,470,486</b>	<b>19,152,547</b>	<b>21,060,655</b>

**Financial Plan Notes:**

<sup>1</sup> Actuals through 14th month of 2005

<sup>2</sup> From 2006 2nd quarter report

<sup>3</sup> Flexrate Recovery is adjusted for projected average FTE count of 12,348, increased interest is from higher than projected cash balances; other revenue projected from actuals through August 2006.

<sup>4</sup> Flexrate for 2007 Proposed is based on adjusted August 2006 actuary report, flex rate of \$1093 per FTE per month and enrollment of 12,348.

<sup>5</sup> In 2008 and 2009, service charges are projected to increase 8.5% and 8.9% annually respectively, numbers from August 2006 actuary report.

<sup>6</sup> Insurance premiums projected based on August 2006 actuary report.

<sup>7</sup> Enrollment Fluctuation Contingency is held constant.

<sup>8</sup> In 2008 and 2009, IBNR is projected based on historic trends.

<sup>9</sup> Target fund balance is to equal the sum of IBNR and rate stabilization reserve.